

[5th February 1925]

Non-official business.

v

THE MADRAS DISTRICT MUNICIPALITIES ACT (AMENDMENT) BILL (a).

• Mr. P. K. S. A. ARUMUGA NADAR :—“ Mr. President, Sir, under Standing Order 38, I beg to introduce the Bill to amend the Madras District Municipalities Act of 1920, for the introduction of which the Council was on a previous occasion pleased to grant leave. The main object of this Bill is to amend sections 98, 99 and 105 of the Act so as to make them more clear. The words ‘ kept or let out for hire within the municipality ’ were interpreted in such a way that persons owning carts and animals outside the municipal limits are being benefited by being permitted to take out licences for vehicles and animals, though they were not given that privilege by the old Act of 1884. The new Act sections 98, 99 and 105 were drafted in accordance with the old Act sections of 77 and 85. What made me bring this Bill all of a sudden is that recently the opinion was given by the hon. Advocate-General that ‘ kept or let out for hire within the municipality ’ means that any vehicle that enters and goes out of a municipality taking in either passengers or goods for more than 15 days is liable for vehicles and animals tax. If this system of granting licence to outsiders was the genuine intention of the authors of the Act of 1920 it would be unnecessary for them to put in section 11 (2) as a compoundable section. In reality, if they are to give out licences for outsiders I don’t understand with whom the Municipal Council will have to compound for tolls. Most of the carts that are taking in passengers or goods in a municipality will be those whose owners are residing in villages very near to the municipality and they will voluntarily apply for vehicle and animal tax which will be undoubtedly a very much lower sum than the toll. If that system be continued we can see in no time many municipalities working with a deficit balance and the local bodies will have nil income under tolls. A similar section in the old Act has been well explained by Sir Murray Hammick, who was once Secretary to Government, in his Municipal Manual. He says ‘ It is obvious to say that if a man lives within the municipality he must take out licence for vehicles and animals under section 77 or 85 of the Act. But if he lives outside the municipality he must either pay tolls or take out a licence under section 91 (2) which is a compoundable licence section.’ My opinion in adding a new sub-clause to section 105 as (h) is that when a vehicle is licenced for vehicle and animal tax in one municipality it should not be given the same privilege in any other municipality or local body that is levying vehicle and animal tax.

“ So, my sole object in bringing this Bill is to prevent vehicles and animals that are owned by persons other than bona fide residents of a municipality from being licenced for vehicle and animal tax and not to allow vehicles and animals being licenced in two or more adjacent municipalities at one and the same time and to see that the municipalities are not losers of toll income by the new Act of 1920, which was well safeguarded under the old Act of 1884.

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"If the Government finds any difficulty as to the wording, I have no objection to modify the Bill when it comes to the select committee. I only ask the Government to accept the underlying principle of the Bill. With these words I move that the Bill be read in Council."

Mr. A. CHIDAMBARA NADAR :—"I second the motion."

Rai Bahadur T. M. NARASIMHACHARLU :—"Mr. President, Sir, I find that the object of the hon. Member that brought in this amending Bill is to retain to the municipal councils the income they get at present from tolls levied from carriages and animals which come into the municipality from the mufassal. I quite realize the importance of such a step intended to preserve the financial equilibrium of the municipality. But I wish to point out that in the amendment that he wishes to carry, he unintentionally, perhaps, imposes some additional burden on the responsibilities of the municipalities. His amendment is this: for the word 'within' substitute the words 'by bona fide residents of'. Now, if this is carried, the result will be that if a resident in a municipality owns carriages outside the municipality and derives help within the municipality, he will be liable to be taxed by the municipality though his carriages and animals do not come into the municipality at all. I do not think he contemplated such a result and that is the reason why I stand here to point that out. Because, the amended section will be: 'If the chairman publishes a notification under section 80 that a tax shall be levied on carriages and animals, he shall levy the said tax by half-yearly instalments on carriages and animals which are kept or let out for hire by bona fide residents of the municipality, and are of the kinds specified in Schedule IV.' The meaning of this is if a resident within a municipality owns carriages outside the municipality, and if the carriages do not come into the municipality, the Chairman will have power to levy tolls on such carriages. I think, Sir, that is what the amendment comes to. I hope that sufficient care will be taken to see that people are not unnecessarily taxed. As regards the other matter, I quite agree that it is necessary to preserve the financial equilibrium; but in that anxiety let us not unnecessarily tax all persons who are not now liable to pay such tax."

* Rao Bahadur T. A. RAMALINGA CHETTIYAR :—"Mr. President, there is one other matter which I should like to bring to the notice of the Council. Sometimes it happens that people are living outside the municipality on their own lands but they have to come into the municipality and in that case they have to pay the toll. Such cases do not come under the Act. I do not see why people who are paying taxes to the municipality, but living outside the municipal limits should be forced to pay tolls. It also happens that there are cases where people have to go into the municipalities almost every day for business and they are paying municipal tax also. They will be losing all the benefit if they have to pay toll. I speak subject to correction as I do not have a copy of the District Municipalities Act with me, I believe under the present Municipal Act people living within 3 to 5 miles of the municipality can be assessed to profession tax. They also may have to pay this toll. I do not see any reason why these people should not have the benefit of the licence. Whatever privileges are available should be available for all those who pay taxes to the municipality. That will only be just and fair to them and I hope that will be borne in mind by the Select Committee when they consider the matter."

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*Mr. T. R. VENKATARAMA SASTRIYAR :—“ It all depends on the opinion of the Select Committee as to how they will deal with the particular cases specified by the hon. Members in the course of their speeches. As the Act now stands, the keeping of a vehicle or an animal or the letting it out for hire, if that is within the municipality, then the tax is payable. It may be that the person who is the owner of the vehicle and the animal may live outside the city ; but he may keep the vehicle and the animal within the city and if it is kept there or let out for hire it is taxable under the Act as it stands. The other case put forward is that the person may be resident within the municipality but he may for purposes of his own keep outside the municipality his vehicle and animal in respect of which he ought not to pay the tax to the local authority. The question in each case will be considered by the Select Committee when the point comes before them. I understand that the suggestion of the hon. Member for Coimbatore is that even in cases of people who live outside the municipality and keep their vehicle and animal outside the municipality, by reason of the fact that they are in some way connected with the municipality, there must be exemption for them from paying the tolls every time they come into the city. I do not know if that is exactly the scope of the Bill. But it is a matter which the Select Committee can go into and I have no doubt that will be considered also. At present, as far as I understand, it only seeks to do this, viz., in cases of people living outside the city and maintaining a vehicle there, they ought not to be given the right of freely entering the city without paying the taxes. To that extent the Select Committee may look into it and I do not know if the particular point which my hon. Friend, the Member for Coimbatore, mentioned is within the scope of this Bill.”

* Rao Bahadur T. A. RAMALINGA CHETTIYAR :—“ Do I understand the hon. the Advocate-General to say that the question cannot be considered by the Select Committee at all or that it is a matter that the Select Committee should dispose of ?”

* Mr. T. R. VENKATARAMA SASTRIYAR :—“ It is a matter left to the Select Committee. I suggested my prima facie impression on it. I do not say anything to shut out the Select Committee from considering the point.”

Mr. P. ANJANEYULU :—“ What I wish to say is this. The practical difficulties which both the hon. Mover and the hon. Member from Coimbatore have been trying to bring to the notice of the House are perhaps being felt in several of the municipalities. There are suburbs which are not within the limits of the municipality but whose residents have daily work in the municipality and they own carriages and animals. Under the present Act when they go out every day for their daily avocations they have to employ the vehicles and they have to pay the tolls. This is being felt as a great hardship by those who are in the suburbs and whose avocations bring them daily into the municipality. They have to pay a toll of As. 4 which comes
12-15 p.m. to nearly Rs. 8 a month, and most of the earnings of these people are consumed in paying the toll. So, it is really a great hardship. This is a point worth considering. In some municipalities they are doing what is called compounding, that is, they take out licences from the municipality, though I have my own doubts whether they are so permitted to do. They take out a licence but live outside municipal limits. This sometimes causes serious friction between the toll-contractor and the

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municipal council. So this is really a question which the Select Committee would do well to address itself to. So far as the payment of tolls by these people is concerned, I think even the hon. the Mover of the Bill has agreed that it is a point to be considered. That is how I understood him. I do not think it is outside the scope of the Select Committee to go into the question. My hon. Friend from Coimbatore also had the same thing in his mind. I wish to know very much whether, in view of the remarks of the hon. the Advocate-General, this matter could not legitimately go before the Select Committee."

Rao Bahadur A. S. KRISHNA RAO PANTULU :—"Sir, in view of the difficulties pointed out by the hon. the Advocate-General, I think that we must pause before taking any definite step forward by way of amendments. This raises a question of principle relating to local taxation—it may be municipal council or it may be local board. The principle underlying this is whether in the case of vehicles lying outside municipal limits, tolls are to be levied according to the schedules provided in the Act. It will be remembered that the Act provides for the compounding of tolls. I really do not understand why the municipal council which has got the power to fix the rates for the purpose should not so fix the rates as to enable them to earn the required income. Why should we on this occasion amend the Act for the purpose of bringing those vehicles outside municipal limits into its purview? I think, Sir, that this Bill, which will have the effect of imposing additional burdens on those living outside the municipal limits, could not be accepted.

"Some difficulties have been pointed out and it was presumed that the Select Committee would go into them. Suppose the Chairman rules that they are not within the scope of the Committee. What will be the position? The Advocate-General has pointed out the difficulty, and it will be open to the Chairman of the Select Committee to rule amendments like those suggested by my friend from Coimbatore out of order. If that contingency should arise, we would be in a worse position than at present. I am not myself satisfied about the necessity for this amendment, because, according to the existing Municipal Act, there is power for the compounding of tolls in these cases and a reasonable rate can be prescribed by the municipalities. Therefore I think that this amendment need not be carried."

* The hon. the RAJA OF PANAGAL :—"Sir, the Bill that is being debated upon is not a Government Bill. It has been introduced as a private measure and the House has given leave for its introduction. No doubt there are the difficulties pointed out by members of this House. But all these points will be considered by the Select Committee and the House at the several stages of the Bill. If, as it is pointed out, there are changes to be made, the Chairman is bound to accept the decision of the majority."

The motion that the Bill be read in Council was put and carried.

The Secretary read the title of the Bill.

Mr. P. K. S. A. ARUMUGA NADAR :—"I now move that the Bill be referred to a Select Committee consisting of the following members :—

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| 1. The hon. the Minister for Local Self-Government. | 6. Mr. A. Ramaswami Mudaliyar. |
| 2. „ hon. the Advocate-General. | 7. Rao Bahadur T. A. Ramalinga Chettiyar. |
| 3. Mr. P. L. Moore. | 8. Khan Bahadur P. Khalifulla Sahib. |
| 4. Mr. A. V. Bhanaji Rao. | 9. Mr. M. R. Setaratnam Ayyar. |
| 5. „ K. S. Ponnuswami Pillai. | 10. Mr. Sami Venkatachalam Chetti. |
| | 11. Myself. |

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Mr. B. RAMACHANDRA REDDI :—“ I second it.”

Mr. S. SATYAMURTI :—“ I beg to propose the addition of Mr. A. Chidambara Nadar to the Select Committee.”

Mr. A. RANGANATHA MUDALIYAR :—“ I second it.”

Mr. P. K. S. A. ARUMUGA NADAR :—“ I have no objection.”

The House agreed to refer the Bill to the Select Committee.

The hon. the PRESIDENT :—“ I nominate the hon. the Minister for Local Self-Government as the Chairman of the Committee.”

VI

THE TUTICORIN PORT TRUST ACT (AMENDMENT) BILL.*

* Mr. A. CHIDAMBARA NADAR :—“ I beg to introduce a Bill to amend the Tuticorin Port Trust Act, 1924, and move that it be read in Council.

“The object of the Bill is to give representation to the Indian Chamber of Commerce at Tuticorin on the Board Trust which was constituted under the Tuticorin Port Trust Act, 1924. The other day when I asked for leave to introduce the Bill I explained how the Indian Chamber of Commerce at Tuticorin was carried away by the words ‘Tuticorin Chamber of Commerce’ occurring in section 6 of the Act, how the members of the Chamber were under the impression that the words would cover their case also but how when the Government asked the European Chamber of Commerce to elect all the three members they came to know their position, how they petitioned and prayed to the Government that they should have representation also and how the Government replied that the words occurring in the section would refer to only one Chamber and that they have no standing under the Act. In view of the arguments put forward by the hon. the Finance Member then, I think I should give a brief history of the Chamber.

“The Chamber was started in 1913 as an association of traders to look after the interests of Indian trade at Tuticorin. In 1921, Sir P. Tyagaraya Chettiyar visited the place and the association of traders met him, and on his advice, the association was christened with the name of ‘The Indian Chamber of Commerce.’ So, Sir, the Indian Chamber of Commerce took a new life and a new turn in 1921 when Sir P. T. Chettiyar visited the place. I hope, Sir, every non-Brahman, whether he belongs to this side of the House or the other side, will support this measure; for however much one may differ in the matter of political opinions and political views from Sir P. T. Chettiyar, one will not be devoid of respect for the grand old man who brought into being the non-Brahman movement. Sir, a chamber started by such a great man should not go unrepresented, nor its representation delayed indefinitely. When I say that, I do not leave out of consideration the other hon. Members of the House. Sir, the question involved in this matter is not a question affecting one community or another, but it is a question affecting Indians as a whole. The Indian Chamber of Commerce, Tuticorin, consists of members belonging to Brahman, non-Brahman, Muhammadan and Christian communities, and so, I hope I shall have the solid support of the whole House with regard to the introduction of this Bill.

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